

Integrated Terminal Weather System

# **Performance Evaluation Plan**

**Award Fee Determination**

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# Performance Evaluation Plan

## Section A: INTRODUCTION

### A.1 Purpose

The purpose of this plan is to provide guidance and procedures for the evaluation of Contractor performance in accordance with the Integrated Terminal Weather System (ITWS) Contract, Section J, Attachment J-34, "ITWS Award Fee Plan & Procedure".

### A.2 Provisions Incorporated By Reference

This plan incorporates by reference the provisions of the ITWS Award Fee Plan & Procedure with the same force and effect as if they were given in full.

### A.3 Objectives

The objectives of this plan are:

- a) To provide guidance and procedures for the evaluation of Contractor performance with respect to the established cost, price and budget targets of the Contract, in order to reward excellence in performance by the Contractor in controlling all aspects of cost performance;
- b) To provide guidance and procedures for the evaluation of Contractor technical performance in satisfying the technical requirements of the Contract in a manner which promotes the best technical value to the FAA;
- c) To provide guidance and procedures for the evaluation of Contractor performance in managing all elements of the Contract including schedule, technical monitoring and the overall planning and integration of cost, schedule and technical performance, plus all other aspects of management relevant to the attainment of the highest value to the FAA within the Contract constraints;
- d) To establish fair and equitable standards for evaluating Contractor performance;
- e) To implement procedures for individually and cumulatively rating the cost, technical and management performance; and
- f) To implement procedures for determining the Award Fee.

### A.4 Evaluation Categories

The cost, technical and management performance of the Contractor will be evaluated in separate evaluation categories. Scores and ratings will be applied as described in the ITWS Award Fee Plan & Procedure. The sub-categories tabulated in Appendix I to this plan will be used within each of these three categories (i.e., cost, technical and management) to facilitate evaluation of performance in greater detail.

#### A.4.a. Cost Evaluation

The cost sub-categories will be evaluated using the monthly CPR and quarterly CFSR's, and on-site reviews and audits.

#### **A.4.b. Technical Evaluation**

The technical sub-categories will be evaluated against the contract specifications, statement of work, CDRLs/DID requirements, and compliance with Government approved contractor plans. This evaluation will be based on deliverables, design reviews, and the quantity, quality, and timeliness of resolution of action items.

#### **A.4.c. Management Evaluation**

The management sub-categories will be evaluated against the requirements of Section C.3.1.1 and corresponding data deliveries and reviews.

### **A.5 Priority & Weighting**

Weighting of the evaluation categories, and of sub-categories may vary from one award fee period to the next. The contractor will be advised of the priority and weighting of each category and sub-category for each award fee period in accordance with Section C of J-34. Therefore, in accumulating individual category performance scores to form an overall performance score required for Award Fee Determination, the following will apply:

- a) The accumulated score for each category will be comprised of the scores for each sub-category within that category, with each sub-category score contributing to the whole according to the established sub-category weighting factor.
- b) The overall performance score will be comprised of cost, technical and management category performance scores in appropriate respective proportions, or will be set as directed by the PEB Chairperson.

#### **A.5.1. Period One**

The cost and management category performance scores will each comprise thirty percent (30%) of the overall performance score and the technical category performance score will comprise forty percent (40%) of the overall performance score

- a. Cost - The first sub-category is significantly more important than the other two sub-categories, which are equal.
- b. Technical - Sub-categories are listed in order of importance, except the last two are equal.
- c. Managemnt - Sub-categories are listed in order of importance.

## **Section B ORGANIZATION**

### **B.1 Performance Evaluation Board (PEB)**

The PEB will apply the guidance, procedures and standards contained herein in order to determine the Award Fee to be paid to the Contractor to reward excellence in performance. PEB membership will be as described in the ITWS Award Fee Plan & Procedure.

### **B.2 Technical Advisors**

Technical advisors may be identified by the PEB to assist in the evaluation of performance. Technical advisors may provide information and recommendations to the PEB, including the recommendation of performance evaluation scores and ratings to be assigned which are indicative of the relative degree of Contractor performance excellence.

## **Section C PERFORMANCE EVALUATION STANDARDS**

Performance evaluation standards to be applied in evaluating Contractor performance are provided in Appendix I to this plan.

## **Section D PROCEDURES**

### **D.1 Receiving Contractor Information**

The PEB will, in evaluating Contractor performance for purposes of Award Fee Determination, receive and may consider any and all information relevant to Contractor performance during the current Fee Period.

At the FAA Washington office, within ten (10) working days following an award fee milestone, the PEB may receive details on the Contractor's efforts, accomplishments, problems, recommendations and any other data which the Contractor or Government considers appropriate for evaluation.

### **D.2 Evaluation**

Upon completion of the Contractor's briefing and not later than fifteen (15) days following the award fee milestone, using the Performance Evaluation Report (PER) forms (see Appendix II) for each of the three evaluation categories, individual members of the PEB will evaluate the Contractor's performance as follows:

- a) Using the ITWS Award Fee Plan & Procedure, Section D, "Performance Ratings", select an adjectival performance rating which best describes the Contractor's performance.
- b) Within the scoring range for the selected rating, select a score which best relates to the Contractor's performance.
- c) Provide a detailed, descriptive narrative which offers justification and supporting detail for the evaluation selections made.
- d) Report the results of the evaluation by completing the appropriate PER form and submitting it to the PEB Chairperson.

### D.3 Combination of Evaluation Results

Upon receipt of completed PER forms from individual members of the PEB, the PEB Chairperson will combine individual reports as follows:

- a) Using an individual PER, compute the mathematical sum of the reported scores for all sub-categories within a given category, weighting each sub-category score according to its established priority; verify that the category sum reported is correct and within the allowable range for the reported adjectival rating.
- b) Using the collection of reported adjectival ratings, select a single adjectival rating which best represents the collection as a whole; consider this selection tentative, as it may be changed after considering the results of the overall score computation which follows.
- c) Using the verified sums, combine the individual scores for a given category by computing the mathematical average of the verified sums; repeat this combination process for each category.
- d) Using the three computed scores, one for each of the three evaluation categories, combine the results as follows:
  - 1) Multiply the cost category score by the assigned weight.
  - 2) Multiply the technical category score by the assigned weight.
  - 3) Multiply the management category score by the assigned weight.
  - 4) Sum the three values computed above to derive the combined overall score; verify that the combined overall score is correct and within the allowable range for the selected adjectival rating.
- e) Using the “Overall Evaluation” PER form, document the combination of evaluation results as follows:
  - 1) Using the ITWS Award Fee Plan & Procedure, Section D, “Performance Ratings”, select an adjectival performance rating which best describes the Contractor’s performance.
  - 2) Within the scoring range for the selected rating, select a score which best relates to the Contractor’s performance; otherwise, select the combined overall score computed above.
  - 3) Provide a detailed, descriptive narrative which offers justification and supporting detail for the evaluation selections made.
  - 4) Report the results of the evaluation by completing the “Overall Evaluation” PER form and submitting it to the Fee Determining Official (FDO).

### D.4 Computation of Award Fee

Compute the amount of the Award Fee as follows:

- a) Using the ITWS Award Fee Plan & Procedure, Appendix II, “CPAF Support Contract Ra select the **Percent of Award Fee Earned** stipulated for the selected combined evaluation score.
- b) Using the ITWS Award Fee Plan & Procedure, Appendix I, “Award Fee Poll Distribution”, determine the **Award Fee Pool Available** as follows:
  - 1) Using the “Award Fee Distribution” table, for the number of the current **Fee Period**, determine the **Award Fee Pool%** figure which applies.
  - 2) Multiply the total dollar value of the **Award Fee Pool**, given in the ITWS Contract, Section B, CLIN 1600, by the **Award Fee Pool%** figure determined above.
- c) Multiply the computed dollar value of the **Award Fee Pool Available** by the selected **Percent of Award Fee Earned**; the result is the dollar amount of the **Award Fee Earned**.

## **D.5 Reporting & Timeliness**

Preparation and reporting of the Contractor performance evaluation results will be in accordance with this plan and the ITWS Award Fee Plan & Procedure. The provisions of the ITWS Award Fee Plan & Procedure will take precedence. Requirements of the ITWS Award Fee Plan & Procedure shall govern regarding the timeliness of evaluation actions and reporting.

Integrated Terminal Weather System

**Performance Evaluation Plan  
Appendix I**

**Performance Evaluation Standards**

**Award Fee Determination**



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## **Appendix I - Performance Evaluation Standards**

### **Evaluation Categories & Sub-Categories**

To achieve the objectives of the ITWS Award Fee Plan & Procedures (Section J, Attachment J-34) to be used by the Government in the administration of the award fee for the purpose of determining the amount of award fee earned at the end of each evaluation period, the Performance Evaluation Standards contained herein will be applied by the members of the Performance Evaluation Board (PEB) in evaluating the ITWS Contractor's performance.

Evaluation standards are given for each of the factors to be evaluated within the three categories stipulated in Section J, Attachment J-34:

1. Cost;
  - a) Estimated & Actual Cost
  - b) Accuracy of Data & Reports
  - c) Compliance with Contractor's Cost Control Procedures
2. Technical;
  - a) Design & Implementation Adequacy
  - b) Thoroughness & Accuracy of Plans and Analyses
  - c) Development Processes
  - d) Testing
  - e) Logistics
3. Management
  - a) Adherence to ITWS Program Schedule (IPS)
  - b) Risk Management/Responsiveness
  - c) Coordination & Liaison

Using these evaluation standards, adjectival performance ratings and evaluation scores will be selected individually and cumulatively as prescribed in Section J, Attachment J-34, Section D, "Performance Ratings"; computation of award fee will be in accordance with Section F.

Personnel involved in the administration of the Award Fee provisions of the ITWS Contract are encouraged to recommend changes in the Award Fee plan and these performance evaluation standards, with a view toward changing management emphasis, motivating higher performance levels or improving the Award Fee determination process. Recommended changes must be submitted in writing to the Performance Evaluation Board (PEB) for consideration and shall include justification, advantages and disadvantages.

The approval of the Award Fee to be paid to the Contractor, including any award amount, is vested in the Approving Official (AO) and is not subject to appeal under the "DISPUTES" clause of the ITWS Contract.

## Priority & Weighting

	Period						
	1	2	3	4	5	6	7
Defining Events	CA to PDR	PDR to CDR	CDR to DQT	DQT to FQT	FQT to Last SAT	Last SAT to OT&E	SEE FCA/PCA
Award Fee Pool%	5%	10%	10%	15%	45%	10%	5%
<b>Cost (30%)</b>							
Estimated and Actual Cost							
Accuracy of Data & Reports							
Compliance With Contractors Cost Internal Documentation							
<b>TOTALS:</b>							
<b>Technical (40%)</b>							
Design & Implementation Adequacy							
Thoroughness & Accuracy of Plans & Analyses							
Development Processes							
Testing							
Logistics							
<b>TOTALS:</b>							
<b>Management (30%)</b>							
Adherence to ITWS Program Schedule (IPS)							
Risk Management / Responsiveness/Planning							
Coordination & Liaison							
<b>TOTALS:</b>							

## Cost Performance Evaluation Standards

Evaluation Scoring Range <sup>1</sup>					
Rating	Unsatisfactory	Marginal	Good	Very Good	Excellent
Scoring Range	0-60	61-70	71-80	81-90	91-100
Definitions	The Contractor's performance <u>fails</u> to meet requirements by a substantial margin. There are very few areas of good performance and these are more than offset lower rated performance in other areas.	The Contractor's performance <u>fails</u> to meet all requirements. There are areas of good or better performance but, these are more than offset by lower rated performance in other areas.	The Contractor's performance <u>meets all requirements</u> .	The Contractor's performance <u>exceeds requirements</u> . There may be several areas for improvement, but these areas are more than offset by better performance in other areas.	The Contractor's performance <u>exceeds requirements</u> by a <u>substantial margin</u> providing additional value to the Government. There are virtually no areas for improvement.
Estimated & Actual Cost	Overruns baseline/baseline components in excess of 15% for the period.	Overruns baseline/baseline components between 5% and 15% for the period.	Overruns baseline/baseline components by less than 5% or underruns cost estimate by not more than 5% for the period.	Underruns baseline/baseline components between 5% and 15% for the period.	Underruns baseline/baseline components by more than 15% for the period.
Accuracy of data & reports	Noncompliance with CPR and CFSR requirements. Cost reports are incomplete, and lack comparison information.	Partial compliance with CPR and CFSR requirements. Cost reports may lack completion and comparison information.	Meets requirements.	Exceeds requirements. Cost reports document anticipated and actual problems and are fully compliant with supporting data.	Consistently exceeds requirements. Cost reports document anticipated and actual problems, planned and actual solutions and are fully compliant and detailed with supporting data..
Compliance with internal cost control documentation	Requires constant surveillance and direction. Deviates from corporate documentation.	Requires occasional surveillance and direction. Sometimes deviates from corporate documentation.	Requires minimal surveillance and direction. Adheres to corporate documentation.	Requires infrequent surveillance and direction. In full compliance with supporting documentation.	Rarely requires surveillance. Maintains internal audits, cost records and detailed compliance documentation.

<sup>1</sup> IAW ITWS Contract, Section J, Attachment J-34, Section D, "Performance Ratings"

## Technical Performance Evaluation Standards

Evaluation Scoring Range <sup>1</sup>					
Rating	Unsatisfactory	Marginal	Good	Very Good	Excellent
Scoring Range	0-60	61-70	71-80	81-90	91-100
Definitions	The Contractor's performance <u>fails</u> to meet requirements by a substantial margin. There are very few areas of good performance and these are more than offset lower rated performance in other areas.	The Contractor's performance <u>fails</u> to meet all requirements. There are areas of good or better performance but, these are more than offset by lower rated performance in other areas.	The Contractor's performance <u>meets all requirements</u> .	The Contractor's performance <u>exceeds requirements</u> . There may be several areas for improvement, but these areas are more than offset by better performance in other areas.	The Contractor's performance <u>exceeds requirements</u> by a <u>substantial</u> margin providing additional value to the Government. There are virtually no areas for improvement.
Design & Implementation Adequacy	Substantially failed to meet requirements; incorporated little or no innovation.	Partially compliant with approved requirements; incorporated minimal innovation.	Compliant with approved requirements; incorporated acceptable innovation.	Exceeded approved requirements; design/implementation provided some added benefit to operations or maintenance; incorporated innovation.	Well exceeded requirements; design/ implementation provided added significant added benefit to operations or maintenance; showed significant innovation.
Thoroughness & Accuracy of Plans and Analyses	Substantially lacked required detail; inadequate or insufficient; failure to address relevant issues; superficial or vague; significant surveillance & direction required.	Lacked required detail; inadequate or insufficient; somewhat failed to address relevant issues; generally deficient; some surveillance and direction required.	Met required detail; adequate or sufficient; generally addressed relevant issues; little surveillance and direction required; plans and actual solutions were generally consistent and appropriate.	Often exceeded requirements; infrequent surveillance and direction required; plans and actual solutions were consistent and appropriate.	Consistently exceeded requirements in technical completeness; infrequent surveillance and direction required; well anticipated actual problems, plans and actual solutions were proactive, consistent and appropriate.
Development Processes	Required very frequent surveillance and direction; demonstrated poor engineering judgment; implementation of development, system engineering management and/or design processes was ineffective; provided inadequate documentation.	Required frequent surveillance and direction; demonstrated minimal engineering judgment; implementation of development, system engineering management and/or design processes was ineffective; poor implementation of baseline plans and automated tools for efficiency; provided minimally acceptable documentation.	Required minimal surveillance and direction; demonstrated effective engineering judgment; implementation of development, system engineering management and/or design processes was adequate; adequate implementation of baseline plans and automated tools for efficiency; documentation meets requirements.	Required infrequent surveillance and direction; demonstrated excellent engineering judgment; implementation of development, system engineering management and/or design processes was superior, often exceeding requirements and baseline plans; full implementation of automated tools for efficiency; documentation often exceeded requirements in technical completeness and clarity.	Rarely required surveillance and direction; demonstrated superior engineering judgment; implementation of development, system engineering management and/or design processes was superior, often exceeding requirements and baseline plans; full implementation of automated tools for efficiency; documentation consistently exceeded requirements in technical completeness and clarity.

## Technical Performance Evaluation Standards (Continued)

Evaluation Scoring Range <sup>1</sup>					
Rating	Unsatisfactory	Marginal	Good	Very Good	Excellent
Scoring Range	0-60	61-70	71-80	81-90	91-100
Testing	Implementation of test environment is not within approved baseline plan; requires very frequent Government surveillance and direction; frequent or repeated test failures.	Implementation of test environment is within approved baseline plan but requires very frequent Government surveillance and direction; occasional repeated test failures.	Implementation of test environment is within approved baseline plan and requires expected Government surveillance and direction; as expected test failure rate.	Implementation of test environment provides improvements over approved baseline plan and requires less than expected Government surveillance and direction; test failure rate lower than expected.	Implementation of test environment provides improvements over approved baseline plan resulting in significant cost, risk and/or schedule savings and/or benefits; requires significantly less than expected Government surveillance and direction; test failure rate significantly lower than expected.
Logistics	Poor definition, coordination, and planning for NAILS tasks; Inadequate management or staffing to accomplish required work.; Failure to comply with SOW or ISP.	Requires some continuing direction to accomplish tasks; demonstrates indecision and lack of familiarity with FAA logistics practices.	Initiative shown to fully integrate NAILS elements within the ITWS system; Schedules and events/milestones met or exceeded; products well coordinated internally and as directed with FAA organizations.	Proposals made to expedite the development of training, supply support and maintenance tasks; proactive approach to identify potential NAILS problems; good utilization of staff for multiple tasks.	Savings achieved or projected which lessen user life-cycle resources.

<sup>1</sup> IAW ITWS Contract, Section J, Attachment J-34, Section D, "Performance Ratings"

## Management Performance Evaluation Standards

Evaluation Scoring Range <sup>1</sup>					
Rating	Unsatisfactory	Marginal	Good	Very Good	Excellent
Scoring Range	0-60	61-70	71-80	81-90	91-100
Definitions	The Contractor's performance <u>fails</u> to meet requirements by a substantial margin. There are very few areas of good performance and these are more than offset lower rated performance in other areas.	The Contractor's performance <u>fails</u> to meet all requirements. There are areas of good or better performance but, these are more than offset by lower rated performance in other areas.	The Contractor's performance <u>meets all requirements</u> .	The Contractor's performance <u>exceeds requirements</u> . There may be several areas for improvement, but these areas are more than offset by better performance in other areas.	The Contractor's performance <u>exceeds requirements</u> by a <u>substantial margin</u> providing additional value to the Government. There are virtually no areas for improvement.
Adherence to ITWS Program Schedule (IPS)	Consistently late or consistently working around 20% of Master Program Schedule; consistently does not complete interrelated tasks in a timely fashion.	Working around or late on 10% of Master Program Schedule; a majority of interrelated tasks not completed in a timely fashion.	Meets Master Program Schedule.	Exceeds 5% of Master Program Schedule requirements. Deliveries are made on time.	Exceeds 10% Master Program Schedule requirements including directed changes. Deliveries often made ahead of schedule with positive impact.
Risk Management/ Responsiveness/ Planning	Fails to identify and/or resolve risks and problems; unresponsive.	Identifies risks and problems but often not timely in their resolution; slow to respond.	Identifies risks and problems; achieves timely resolution at least 90% of the time; responsive.	Often identifies risks and potential problems before they occur and proposes effective solutions; usually proactive.	Consistently anticipates risks and problems, formulates & executes effective mitigation plans or achieves timely resolution; consistently proactive.
Coordination & Liaison	Indifferent; absent; untimely; or ineffective.	Acceptable but dependent upon Government direction. Ineffectively communicates potential problems and progress on the resolution of current problems	Communicates potential problems and progress on the resolution of current problems. Resolves issues in a timely manner. Requires some Government direction.	Anticipates and effectively communicates potential problems and takes resolve. Requires little Government direction.	Consistently proactive, effectively communicates potential problems, and initiates resolve.

<sup>1</sup> IAW ITWS Contract, Section J, Attachment J-34, Section D, "Performance Ratings"